



City of Santa Barbara California

STAFF HEARING OFFICER STAFF REPORT

REPORT DATE: October 17, 2007
AGENDA DATE: October 24, 2007
PROJECT ADDRESS: 623 E. Ortega Street (MST2007-00125)

TO: Staff Hearing Officer
FROM: Planning Division, (805) 564-5470
 Jan Hubbell, AICP, Senior Planner *JH*
 Kathleen Kennedy, Associate Planner *KK*

I. PROJECT DESCRIPTION

The project consists of a proposal to convert an existing two-story, three-unit apartment building into three residential condominium units on a 7,000 square foot lot. Each unit has two-bedrooms and is 1,000 square feet. There are currently six uncovered parking spaces onsite. Improvements to the parking area include the removal of an unpermitted fence and the construction of a new attached three-car carport with three storage areas inside. There would also be three uncovered parking spaces and a new trash and recycling area at the rear of the property. The "as-built" eight foot high wood fence along the northern and western property lines is included in the proposal. The fence and hedge located along the eastern property line would be reduced to 3½' for a distance of 20' back from the front property line, per the requirements of the Zoning Ordinance.

Other improvements to the site include new stairs, retaining wall and walkway at the front of the property to provide direct access from the sidewalk to the units. A new patio and trellis would be constructed for Unit A and a new electrical cabinet would enclose the relocated electrical meters at the front of the building. The retaining wall located at the front property line would be repaired and painted.

As shown on the Tentative Subdivision Map, the existing driveway apron serves both the subject site and the property to the east. As the existing driveway apron on the west portion of the shared driveway is misaligned with the driveway on the subject site, it would be required to be repositioned to be aligned with the driveway. In addition, a five foot wide portion of the sidewalk is required to transition into the existing parkway in order to meet the accessibility standard for sidewalks. This would be required for the sidewalk in front of the adjacent property as well as shown on the Tentative Subdivision Map.

The pest control and the physical elements reports that were required as part of the Condominium Conversion application identified a number of repairs that would be required prior to issuance of the Condominium Conversion Permit by the Building & Safety Division.

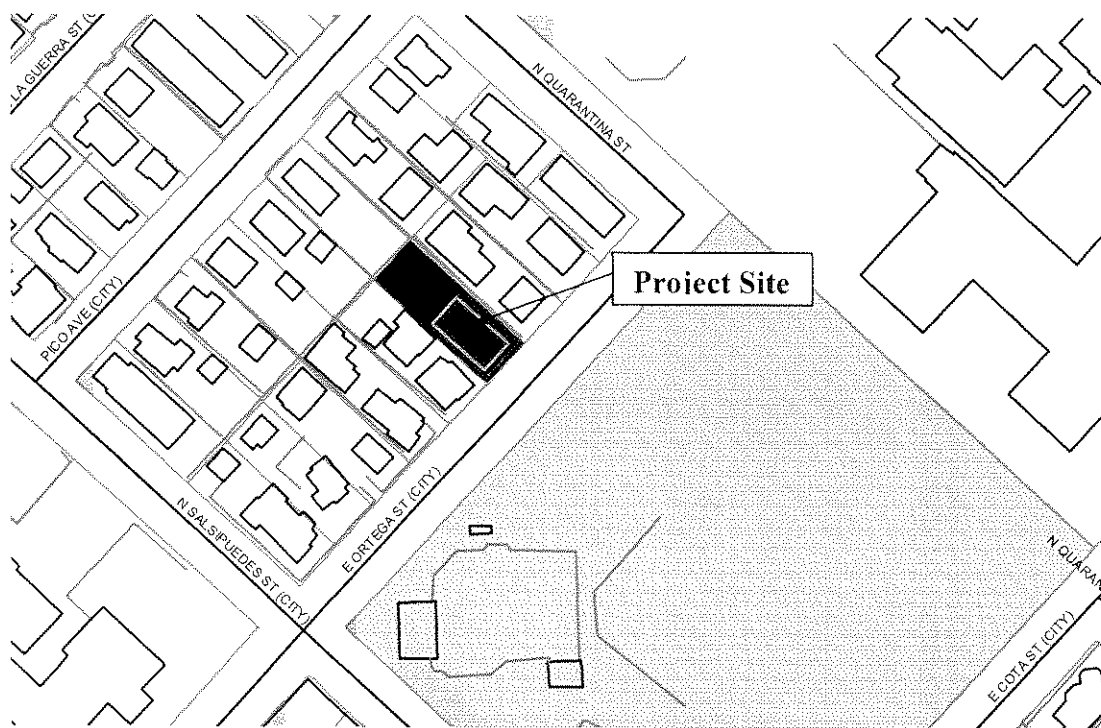
II. REQUIRED APPLICATIONS

The discretionary applications required for this project are:

1. Tentative Subdivision Map for a one-lot subdivision to create three residential condominium units (SBMC§27.07); and
2. Condominium Conversion Permit to convert three residential units to three condominium units (SBMC§28.88).

III. RECOMMENDATION

Staff recommends that the Staff Hearing Officer approve the Tentative Subdivision Map and Condominium Conversion Permit, making the findings outlined in Section VII of this report, and subject to the conditions of approval in Exhibit A.



Vicinity Map for 623 E. Ortega Street

APPLICATION DEEMED COMPLETE: September 19, 2007
DATE ACTION REQUIRED PER MAP ACT: December 8, 2007

IV. SITE INFORMATION AND PROJECT STATISTICS

A. SITE INFORMATION

Applicant: Jessica Grant, Penfield & Smith	Property Owner: Aaron Goldschmidt and James Johnson
Parcel Number: 031-103-014	Total Lot Area: 7,000 square feet
General Plan: Residential, 12 Units/Acre	Zoning: R-3, Limited Multiple-Family Residence
Existing Use: Apartments	Proposed Use: Residential Condominiums
Topography: approx. 2%	
Adjacent Land Uses: North: Residential South: Ortega Park East: Residential West: Residential	

B. PROJECT STATISTICS

Units	# of Bedrooms	Unit Size (net)	Private Outdoor Living Space
A	2	1,000 square feet	140 sq. ft.
B	2	1,000 square feet	140 sq. ft.
C	2	1,000 square feet	140 sq. ft. plus new roof deck

V. ZONING ORDINANCE CONSISTENCY

Standard	Requirement/ Allowance	Proposed
Setbacks -Front -Interior -Rear	10 feet 6 feet 6 feet	10 feet 6 feet 6 feet
Building Height	3 stories/ 45' maximum	29'
Parking	6 uncovered spaces	3 covered, 3 uncovered spaces
Lot Area Required for Each Unit (Variable Density)	(3) 2-Bd. = 3 x 2,320 sq. ft. = 6,960 sq. ft.	Lot area : 7,000 square feet
10% Open Space	700 square feet	Legal, non-conforming at 516 square feet
Private Outdoor Living Space –	2- bedroom units: 140 square feet on ground floor	Each unit has 140 sq. ft. on ground floor
Lot Coverage -Building/ Porch -Paving/Driveway -Landscaping	1,402 sq. ft. (20 %) 3,732 sq. ft. (53 %) <u>1,866 sq. ft. (27 %)</u> 7,000 sq. ft. (100 %)	1,913 sq. ft. (27 %) 3,506 sq. ft. (50 %) <u>1,581 sq. ft. (23 %)</u> 7,000 sq. ft. (100 %)

The proposed project meets all of the requirements of the R-3, Limited Multiple-family zone with the exception of the 10% open space area requirement. Only 516 square feet of the required 700 square feet is provided. Staff has determined that it is legal, non-conforming as it was the amount of open space allowed when the apartments were originally approved. The proposed project is also in conformance with all provisions of the Condominium Conversion Ordinance.

VI. ISSUES

A. COMPLIANCE WITH THE GENERAL PLAN

Land Use Element: The project site is located in the Laguna neighborhood which is bounded on the north by Sola, Olive, and Micheltorena Streets; on the south by Cota Street; on the east by Milpas and Canon Perdido Streets, and the eastern boundary of Santa Barbara Junior High School; and on the west by Santa Barbara Street. Ortega Park is directly across the street from the project site.

The Laguna neighborhood is presently developed as a residential area in its eastern and northern portions with single-family dwellings, duplexes, and higher-density multiple units interspersed throughout the neighborhood. On the west, as it merges into downtown, mixed residential and commercial uses appear.

The project would be subject to the density requirements of the R-3/R-4 Multiple Family Residential Zones, which allow 12 dwelling units to the acre. However, the General Plan Land Use and Housing Elements recognize that, in zones where variable density standards apply, development may exceed the limit of 12 units per acre without causing an inappropriate increase in the intensity of activities. The proposed project would result in a density of approximately 19 units per acre, which, based on the above discussion, would be consistent with the Land Use and Housing Elements of the General Plan.

B. DESIGN REVIEW

The Architectural Board of Review (ABR) reviewed the project on one occasion (see Exhibit D – ABR Minutes). In response to the comments received by the Board, the applicant has revised the plans to provide colored concrete on the entire driveway; provide an open rail stairway from the sidewalk, with access to the units' front doors; enclose the electrical meters in a cabinet that blends with the architecture; provide vine pockets along the driveway retaining wall as well as additional landscaping throughout the site; provide trees along the eastern property line; and enhanced landscaping within the public parkway.

C. PHYSICAL STANDARDS FOR CONDOMINIUM CONVERSIONS

In addition to the requirements of the zone in which a project is located, physical standards are required for all condominium conversion projects per SBMC §28.88.040. The project would meet the parking standard of six parking spaces by providing three covered spaces and three uncovered spaces. Separate utility meters would be provided for each unit. The project also meets the minimum requirements for storage, density, unit size, and outdoor living space.

Additionally, the Physical Elements Report required for condominium conversions noted a number of small repairs that need to be completed. These repairs would be required to be completed prior to Map recordation.

D. ENVIRONMENTAL REVIEW

Cultural Resources: According to the City Master Environmental Assessment (MEA), the site is located in the Prehistoric Watercourse, American Period (1870-1900), and the Early 20th Century (1900-1920) zones. An Archaeological Letter Report prepared by Compass Rose Archaeological Inc., dated May 24, 2007, was submitted for review and was accepted by the City's Environmental Analyst. The report concludes that it is highly unlikely that the proposed project would have an adverse impact on any significant cultural resources and no further archeological investigations are recommended. The standard condition of approval related to unanticipated archaeological resources has been included.

Conclusion: The Environmental Analyst has determined that the project is exempt from further environmental review pursuant to the California Environmental Quality Act Guidelines Section 15301 (Existing Facilities).

VII. FINDINGS

The Staff Hearing Officer finds the following:

A. TENTATIVE MAP (SBMC §27.07.100)

The Tentative Subdivision Map is consistent with the General Plan and the Zoning Ordinance of the City of Santa Barbara. The site is physically suitable for the proposed condominium conversion and the density of development, and the proposed use is consistent with the vision for this neighborhood of the General Plan. The design of the project is not likely to cause substantial environmental damage, and associated improvements will not cause serious public health problems or conflict with easements, acquired by the public at large, for access through or use of property within the proposed development.

B. CONDOMINIUM CONVERSION (SBMC§28.88.120)

1. All provisions of the Condominium Conversion Ordinance are met and the project will not be detrimental to the health, safety, and general welfare of the community.
2. The proposed conversion is conforms to the density requirement of the Land Use Element of the General Plan.
3. The proposed conversion will conform to the Santa Barbara Municipal Code in effect at the time the application was deemed complete, except as otherwise provided in the Condominium Conversion Ordinance.

4. The overall design (including project amenities) and physical condition of the conversion will result in a project, which is aesthetically attractive, safe, and of quality construction.
5. The units have not been "affordable rental units"; therefore, affordability restrictions do not apply to the project.
6. The project is exempt from the provisions of Section 28.88.130 because the project consists of fewer than four units.
7. The Applicant has not engaged in coercive retaliatory action regarding the tenants after the submittal of the first application for City review through the date of approval.

Exhibits:

- A. Conditions of Approval
- B. Site Plan
- C. Applicant Letter dated August 22, 2007
- D. ABR Minutes dated May 7, 2007

STAFF HEARING OFFICER CONDITIONS OF APPROVAL

623 E. ORTEGA STREET
TENTATIVE SUBDIVISION MAP & CONDOMINIUM CONVERSION PERMIT
OCTOBER 24, 2007

In consideration of the project approval granted by the Staff Hearing Officer and for the benefit of the owners and occupants of the Real Property, the owners and occupants of adjacent real property and the public generally, the following terms and conditions are imposed on the use, possession and enjoyment of the Real Property:

- A. **Recorded Agreement.** Prior to approval and recordation of the Parcel Map, the Owner shall execute an "Agreement Relating to Subdivision Map Conditions Imposed on Real Property". This Agreement shall be recorded in the Office of the County Recorder and shall include the following provisions:
1. **Uninterrupted Water Flow.** The Owner shall provide for the uninterrupted flow of water through the Real Property including, but not limited to, swales, natural watercourses, conduits and any access road, as appropriate.
 2. **Recreational Vehicle Storage Prohibition.** No recreational vehicles, boats, or trailers shall be stored on the Real Property.
 3. **Landscape Plan Compliance.** The Owner shall comply with the Landscape Plan approved by the Architectural Board of Review (ABR). Such plan shall not be modified unless prior written approval is obtained from the ABR. The landscaping on the Real Property shall be provided and maintained in accordance with said landscape plan. If said landscaping is removed for any reason without approval by the ABR the owner is responsible for its immediate replacement.
 4. **Storm Water Pollution Control and Drainage Systems Maintenance.** Owner shall maintain the drainage system, including any storm water pollution control devices, in a functioning state and in accordance with the Operations and Maintenance Procedure Plan approved by the Building Official, in consultation with the Parks and Recreation Department Creeks Division. Should any of the project's drainage system (including any storm water pollution control devices) fail, Owner shall make any necessary repairs to the system and restore any eroded area. Prior to the commencement of any repair or restoration work, Owner shall submit a repair and restoration plan to the Community Development Director to determine if the proposed work requires an amendment to this approval or a Building permit.
 5. **Approved Development.** The development of the Real Property approved by the Staff Hearing Officer on October 24, 2007 is limited to the conversion of three residential units to condominiums and the improvements shown on the plans signed by the Staff Hearing Officer on said date and on file at the City of Santa Barbara.
 6. **Required Private Covenants.** The Owners shall record in the official records of Santa Barbara County either private covenants, a reciprocal easement agreement, or a similar agreement which, among other things, shall provide for all of the following:

- a. **Common Area Maintenance.** An express method for the appropriate and regular maintenance of the common areas, common access ways, common utilities and other similar shared or common facilities or improvements of the development, which methodology shall also provide for an appropriate cost-sharing of such regular maintenance among the various owners of the condominium parcels.
 - b. **Garages Available for Parking.** A covenant that includes a requirement that all garages be kept open and available for the parking of vehicles owned by the residents of the property in the manner for which the garages were designed and permitted.
 - c. **Landscape Maintenance.** A covenant that provides that the landscaping shown on the approved Landscaping Plan shall be maintained and preserved at all times in accordance with the Plan.
 - d. **Trash and Recycling.** A covenant that includes a requirement that adequate space shall be provided and maintained for trash and recycling purposes.
 - e. **Covenant Enforcement.** A covenant that permits each owner to contractually enforce the terms of the private covenants, reciprocal easement agreement, or similar agreement required by this condition.
- B. **Design Review.** The following items are subject to the review and approval of the Architectural Board of Review (ABR). ABR shall not grant preliminary approval of the project until the following conditions have been satisfied.
- 1. **Physical Elements Report Requirements.** All requirements listed in the physical elements report that result in exterior changes shall be subject to ABR review.
 - 2. **Screened Check Valve/Backflow.** The check valve or anti-backflow devices for fire sprinkler and/or irrigation systems shall be provided in a location screened from public view or included in the exterior wall of the building.
- C. **Building Permit Plan Requirements.** The following requirements shall be incorporated into the construction plans submitted to the Building and Safety Division with applications for building permits. All of these construction requirements shall be carried out in the field and completed prior to the issuance of a Certificate of Occupancy or Final Approval:
- 1. **Design Review Requirements.** Plans shall show all design and landscape elements, as approved by the Architectural Board of Review.
 - 2. **Trash and Recycling.** A trash enclosure with adequate area for recycling containers (an area that allows for a minimum of 50 percent of the total capacity for recycling containers) shall be provided on the Real Property and screened from view from surrounding properties and the street.

Dumpsters and containers with a capacity of 1.5 cubic yards or more shall not be placed within five (5) feet of combustible walls, openings, or roofs, unless protected with fire sprinklers.

3. **Conditions on Plans/Signatures.** The final Staff Hearing Officer Resolution shall be provided on a full size drawing sheet as part of the drawing sets. Each condition shall have a sheet and/or note reference to verify condition compliance. If the condition relates to a document submittal, indicate the status of the submittal (e.g., Parcel Map submitted to Public Works Department for review). A statement shall also be placed on the above sheet as follows: The undersigned have read and understand the above conditions, and agree to abide by any and all conditions which is their usual and customary responsibility to perform, and which are within their authority to perform.

Signed:

Property Owner

Date

Contractor

Date

License No.

Architect

Date

License No.

Engineer

Date

License No.

- D. **Community Development Requirements Prior to Building or Public Works Permit Issuance.** The following shall be finalized prior to, and/or submitted with, the application for any Building or Public Works permit:

1. **Neighborhood Notification Prior to Construction.** At least twenty (20) days prior to commencement of construction, the contractor shall provide written notice to all property owners, businesses, and residents within 300 feet of the project area. The notice shall contain a description of the project, the construction schedule, including days and hours of construction, the name and phone number of the Contractor(s), site rules and Conditions of Approval pertaining to construction activities and any additional information that will assist the Building Inspectors, Police Officers and the public in addressing problems that may arise during construction. The language of the notice and the mailing list shall be reviewed and approved by the Planning Division prior to being distributed. An affidavit signed by the person(s) who compiled the mailing list shall be submitted to the Planning Division.

2. **Contractor and Subcontractor Notification.** The Owner shall notify in writing all contractors and subcontractors of the site rules, restrictions, and Conditions of Approval. Submit a copy of the notice to the Planning Division.
- E. **Public Works Requirements Prior to Building or Public Works Permit Issuance.** The following shall be finalized prior to, and/or submitted with, the application for any Building or Public Works permit:
1. **Drainage Calculations.** The Owner shall submit drainage calculations prepared by a registered civil engineer or licensed architect demonstrating that the new development will not increase runoff amounts above existing conditions for a 25-year storm event. Any increase in runoff shall be retained on-site.
 2. **East Ortega Street Public Improvement Plans.** The Owner shall submit building plans for construction of improvements along the property frontage on East Ortega Street. As determined by the Public Works Department, the improvements shall include new and/or remove and replace to City standards, the following: approximately twenty five (25) l.f. of sidewalk, driveway apron modified to meet Title 24 requirements, approximately fifteen (15) l.f. curb and gutter, street tree grate, asphalt concrete, crack seal to the centerline of the street along entire subject property frontage and slurry seal a minimum of 20 feet beyond the limits of all trenching, underground service utilities (*SBMC* §22.38.125 and §27.08.025), public drainage improvements with supporting drainage calculations and/or hydrology report for installation of (drainage pipe, curb drain outlets, slot/trench drain, drop inlet, detention, erosion protection (provide off-site storm water BMP plan), etc.), preserve and/or reset survey monuments and contractor stamps, and provide adequate positive drainage from site. Any work in the public right-of-way requires a Public Works Permit.
- F. **Construction Implementation Requirements.** All of these construction requirements shall be carried out in the field by the Owner and/or Contractor for the duration of the project construction.
1. **Construction Parking/Storage/Staging.** Construction parking and storage shall be provided as follows:
 - a. During construction, free parking spaces for construction workers and construction shall be provided on-site or off-site in a location subject to the approval of the Public Works Director. Construction workers are prohibited from parking within the public right-of-way, except as outlined in subparagraph b. below.
 - b. Parking in the public right of way is permitted as posted by Municipal Code, as reasonably allowed for in the 2006 Greenbook (or latest reference), and with a Public Works permit in restricted parking zones. No more than three (3) individual parking permits without extensions may be issued for the life of the project.

- c. Storage or staging of construction materials and equipment within the public right-of-way shall not be permitted, unless approved by the Transportation Manager.
2. **Construction Best Management Practices (BMPs).** Construction activities shall address water quality through the use of BMPs, as approved by the Building and Safety Division.
3. **Construction Contact Sign.** Immediately after Building permit issuance, signage shall be posted at the points of entry to the site that list the contractor(s) name, contractor(s) telephone number(s), work hours, site rules, and construction-related conditions, to assist Building Inspectors and Police Officers in the enforcement of the conditions of approval. The font size shall be a minimum of 0.5 inches in height.
4. **Graffiti Abatement Required.** Owner and Contractor shall be responsible for removal of all graffiti as quickly as possible. Graffiti not removed within 24 hours of notice by the Building and Safety Division may result in a Stop Work order being issued, or may be removed by the City, at the Owner's expense, as provided in SBMC Chapter 9.66.
5. **Unanticipated Archaeological Resources Contractor Notification.** Prior to the start of any vegetation or paving removal, demolition, trenching or grading, contractors and construction personnel shall be alerted to the possibility of uncovering unanticipated subsurface archaeological features or artifacts associated with past human occupation of the parcel. If such archaeological resources are encountered or suspected, work shall be halted immediately, the City Environmental Analyst shall be notified and the applicant shall retain an archaeologist from the most current City Qualified Archaeologists List. The latter shall be employed to assess the nature, extent and significance of any discoveries and to develop appropriate management recommendations for archaeological resource treatment, which may include, but are not limited to, redirection of grading and/or excavation activities, consultation and/or monitoring with a Barbareño Chumash representative from the most current City qualified Barbareño Chumash Site Monitors List, etc.

If the discovery consists of possible human remains, the Santa Barbara County Coroner shall be contacted immediately. If the Coroner determines that the remains are Native American, the Coroner shall contact the California Native American Heritage Commission. A Barbareño Chumash representative from the most current City Qualified Barbareño Chumash Site Monitors List shall be retained to monitor all further subsurface disturbance in the area of the find. Work in the area may only proceed after the Environmental Analyst grants authorization.

If the discovery consists of possible prehistoric or Native American artifacts or materials, a Barbareño Chumash representative from the most current City Qualified Barbareño Chumash Site Monitors List shall be retained to monitor all

further subsurface disturbance in the area of the find. Work in the area may only proceed after the Environmental Analyst grants authorization.

6. **Removal or Relocation of Public Facilities.** Removal or relocation of any public utilities or structures must be performed by the Owner or by the person or persons having ownership or control thereof.
- G. **Public Works Submittal Prior to Parcel Map Approval.** The Owner shall submit the following, or evidence of completion of the following, to the Public Works Department for review and approval, prior to processing the approval of the Parcel Map:
1. **Certificate of Occupancy/Final Approval for Physical Standards Building Permit.** Owner shall complete all necessary work in order to comply with the Physical Standards for Condominium Conversions specified in SBMC § 28.88.040 of the Municipal Code and receive a certificate of occupancy or final approval for such work.
 2. **Issuance of Condominium Conversion Building Permit.** Evidence that a conversion permit has been issued by the Community Development Department for the conversion of the three residential units to three condominiums.
 3. **Parcel Map.** The Owner shall submit a Parcel Map prepared by a licensed land surveyor or registered Civil Engineer to the Public Works Department for review and approval. The Parcel Map shall conform to the requirements of the City Survey Control Ordinance.
 4. **Water Rights Assignment Agreement.** The Owner shall assign to the City of Santa Barbara the exclusive right to extract ground water from under the Real Property in an *Agreement Assigning Water Extraction Rights*. Public Works Engineering Division Staff will prepare said agreement for the Owner's signature.
 5. **Required Private Covenants.** The Owner shall submit a copy of the recorded private covenants, reciprocal easement agreement, or similar private agreements required for the project.
 6. **Land Development Agreement.** If the public improvements have not been completed prior to the submittal of the Parcel Map for review and approval, Owner shall submit an executed "Agreement for Land Development Improvements," prepared by the Engineering Division, an Engineer's Estimate, signed, and stamped by a registered civil engineer, and securities for construction of improvements prior to execution of the agreement.
- H. **Prior to Final Inspection Sign-off of Community Development Condominium Conversion Permit.** Prior to a Final Inspection sign-off for the condominium conversion permit issued by the Building and Safety Division, the Owners of the Real Property shall submit the following or evidence of completion of the following to the Community Development Department:

1. **Recordation of Parcel Map.**
 2. **Recordation of the Agreement Relating to Subdivision Map Conditions Imposed on Real Property.**
 3. **Recordation of Private Covenants.**
 4. **Repair Damaged Public Improvements.** Repair any damaged public improvements (curbs, gutters, sidewalks, roadways, etc.) subject to the review and approval of the Public Works Department per SBMC §22.60.090. Where tree roots are the cause of the damage, the roots shall be pruned under the direction of a qualified arborist.
 5. **Complete Public Improvements.** Public improvements, as shown in the improvement/building plans, including utility service undergrounding and installation of street trees.
- I. **Prior to Final Inspection Sign-off of Community Development Condominium Conversion Permit.** Prior to Final inspection sign-off for the condominium conversion permit issued by the Building and Safety Division, Owner shall comply with the tenant protection provisions of the Condominium Conversion Ordinance (SBMC Chapter 28.88) (including adjustments to the tenant assistance specified in Subsection 28.88.100.G as specified below) and shall submit the following or evidence of completion of the following to the Community Development Department:
1. **Notice of Approval of Conversion.** Owner shall deliver written notice to each tenant household within 15 days of the approval of the conversion. The content of such notice shall include an explanation of any conditions of approval that affect the tenants.
 2. **Notice of Final Map.** Owner shall deliver written notice to each tenant household of the approval of the final map within 10 days of such approval.
 3. **Notice of Department of Real Estate Report.** If a public report is required by the Subdivided Lands Act (projects of 5 or more condominium units), Owner shall deliver written notice to each tenant household that an application for a public report has been submitted with the California Department of Real Estate within 10 days of the submission of such application.
 4. **Exclusive Right to Purchase (Right of First Refusal).** Prior to issuance of a Final Approval on the Conversion Permit, Owner shall provide evidence of the extension of an exclusive right to purchase in accordance with the provisions of Section 66427.1(d) of the Government Code.
 5. **Notice of Vacation of Unit.** Each non-purchasing tenant household that is not in default shall have not less than 180 days from the date of approval of the conversion in which to find substitute housing and to relocate. This 180-day period may be extended in special cases, as specified in Subsection 28.88.100.E of the Municipal Code.

6. **Tenant Displacement Assistance.** In the place of the moving expenses specified in Subsection 28.88.100.G of the Santa Barbara Municipal Code, Owner shall provide each tenant household with displacement assistance in accordance with the provisions of Chapter 28.89. Evidence of compliance with this condition shall be submitted prior to the issuance of a Final Approval for the conversion permit.
- J. **Litigation Indemnification Agreement.** In the event the Staff Hearing Officer approval of the Project is appealed to the City Council, Applicant/Owner hereby agrees to defend the City, its officers, employees, agents, consultants and independent contractors ("City's Agents") from any third party legal challenge to the City Council's denial of the appeal and approval of the Project, including, but not limited to, challenges filed pursuant to the California Environmental Quality Act (collectively "Claims"). Applicant/Owner further agrees to indemnify and hold harmless the City and the City's Agents from any award of attorney fees or court costs made in connection with any Claim.
- Applicant/owner shall execute a written agreement, in a form approved by the City Attorney, evidencing the foregoing commitments of defense and indemnification within thirty (30) days of the City Council denial of the appeal and approval of the Project. These commitments of defense and indemnification are material conditions of the approval of the Project. If Applicant/Owner fails to execute the required defense and indemnification agreement within the time allotted, the Project approval shall become null and void absent subsequent acceptance of the agreement by the City, which acceptance shall be within the City's sole and absolute discretion. Nothing contained in this condition shall prevent the City or the City's Agents from independently defending any Claim. If the City or the City's Agents decide to independently defend a Claim, the City and the City's Agents shall bear their own attorney fees, expenses and costs of that independent defense.

**NOTICE OF TENTATIVE SUBDIVISION MAP AND CONDOMINIUM CONVERSION
TIME LIMITS:**

The Staff Hearing Officer's action approving the Tentative Subdivision Map and Condominium Conversion shall expire two (2) years from the date of approval. The subdivider may request an extension of this time period in accordance with Santa Barbara Municipal Code §27.07.110 or the provisions of the California Subdivision Map Act.

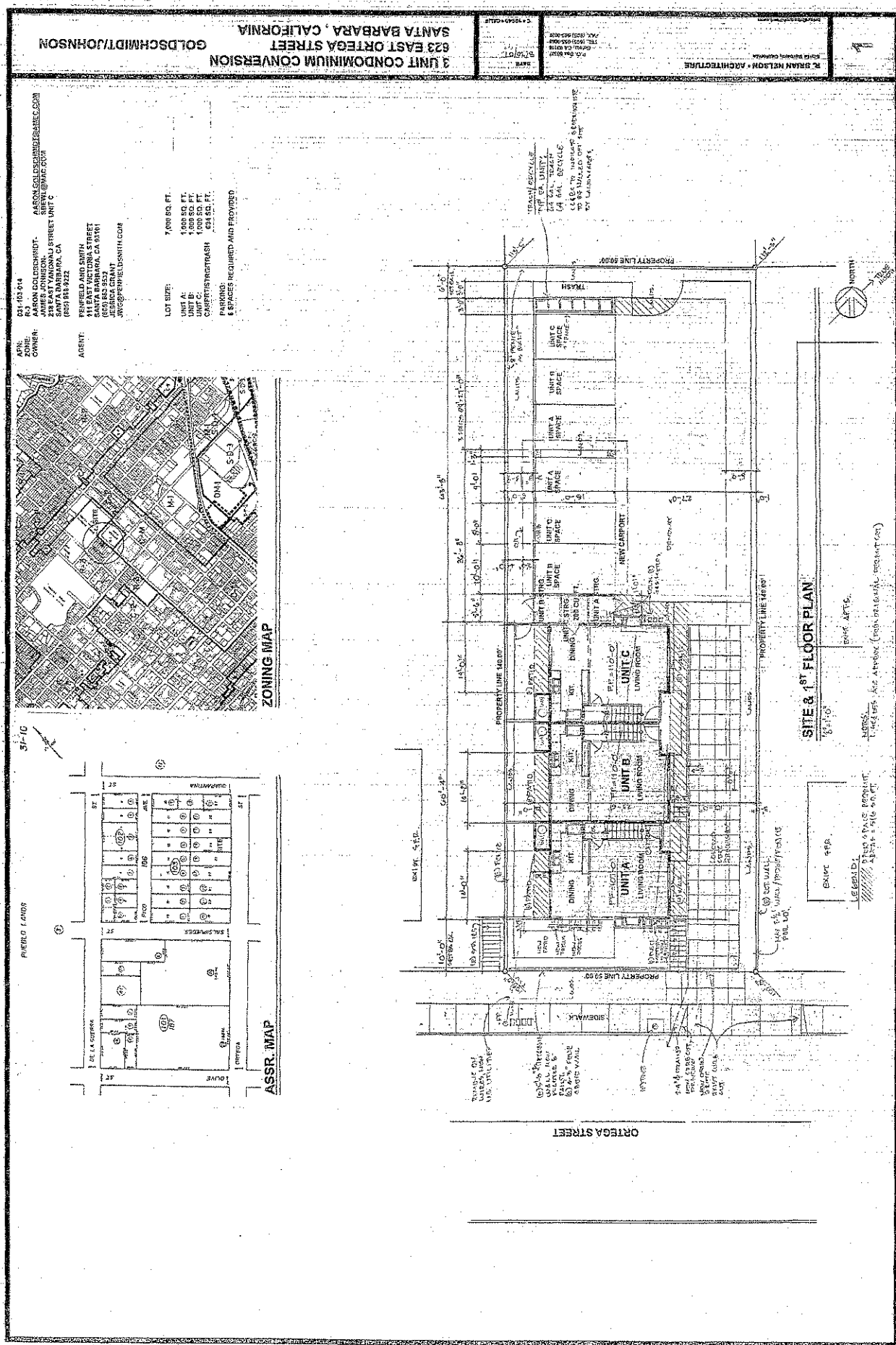


EXHIBIT B



Penfield & Smith

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Santa Barbara, CA 93101

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www.penfieldsmith.com

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AUG 22 2007

CITY OF SANTA BARBARA
PLANNING DIVISION

W.O. 17625.01

August 22, 2007

City of Santa Barbara
Planning Division – Staff Hearing Officer
630 Garden Street
Santa Barbara, CA 93101

**Subject: Proposed Condominium Conversion,
623 East Ortega Street, APN 031-103-014**

Dear Staff Hearing Officer:

On behalf of the owners, the Goldschmidt Family Trust, Penfield & Smith is pleased to re-submit our DART application for a proposed condominium conversion of an existing 3-unit apartment complex located at 623 East Ortega Street. Included with this package are the following:

- Three (3) copies of the Applicant Response Letter to the City's DART #1 Letter dated August 2, 2007.
- Three (3) copies of the project plans (includes site plan, elevations and landscape plan).
- Three (3) copies of the Tentative Map for condominium purposes.
- One (1) copy of the rental rate history.

Project Description

The project includes the conversion of an existing 3-unit apartment building into three airspace condominium units. The project site is located at 623 East Ortega Street (APN 031-103-014) across the street from Ortega Park. The 7,000 square foot property is developed with an existing two-story 3-unit apartment building that was constructed in 1985. Each unit is 1,000 square feet and has two bedrooms and one bathroom. There are six uncovered parking spaces located behind the building (westerly side of the property). An attached three car carport with a roof deck is proposed so each unit can have one covered parking space. The site is zoned R-3 and has a General Plan Designation of twelve dwelling units per acre. The discretionary applications required for the proposed project include:

1. A Tentative Subdivision Map for a one-lot subdivision for the conversion of an existing triplex into condominium units (SBMC Chapter 27.07); and
2. A Condominium Conversion to allow conversion of the triplex into three airspace condominiums (SBMC §27.03).

Physical Standards for Condominium Conversions (SBMC Section 28.88.040)

It is our understanding that the project must meet the physical standards per the City's Condominium Conversion Ordinance. Below is a summary of compliance with Section 28.88 of the Municipal Code.

Unit Size: Each unit must be at least 600 square feet.

The existing apartments are 1,000 square feet each. The proposed condos will be 1,000 square feet each.

Fire Prevention: Each unit must be equipped with smoke detectors. CC&Rs for the proposed association must provide for maintenance of all fire protection devices.

Each unit currently has smoke detectors. The CC&Rs will include maintenance of the property's fire protection devices.

Utility Metering: Each unit must be separately metered for water, sewer, gas and electricity. Plumbing fixtures shall conform to the standards for water saving devices.

Each unit is currently separately metered for water, sewer, gas, and electricity. The electricity and water for the common space/use is separately metered. All plumbing fixtures currently are water-saving.

Private Storage Space: Each unit must have 200 cubic feet of enclosed, weatherproof lockable private storage space. Such storage shall be accessible from the garage or parking space of the unit it serves.

Private storage space for each unit will be incorporated into the proposed carport structure.

Laundry Facility: Each unit must have a laundry facility or a shared laundry facility must contain at least one washer and dryer for each five units.

Each unit has its own laundry facility provided.

Condition of Equipment and Appliances: The applicant must provide certification to buyers that all appliances, such as dishwasher, hot water heater, etc. are in working order as of the close of escrow.

The applicants will agree to a condition of the condominium conversion to provide written notice to buyers during escrow.

Public Easements: The applicant shall make provisions for the dedication of land for public improvements as necessary.

It is not anticipated that any public improvements will be required as the site is already developed with three apartment units and all frontage improvements are in place.

Refurbishment and Restoration: All structures, landscaping, fences, etc. shall be restored and refurbished as required by the City.

The applicant agrees to restore and refurbish the building and site improvements as required by City conditions of approval of the condominium conversion.

Parking Standards: Two parking spaces are required for two-bedroom units.

Two parking spaces per unit currently exist and will continue to exist upon conversion to condos.

Physical Elements: Any physical element identified in the physical elements report having a life of less than two years shall be replaced.

Please refer to the Physical Element's report. The project will comply with the report's recommendations.

Outdoor Living Space: Per Section 28.21.081, outdoor living space for a two-bedroom unit must include 140 square feet on the ground floor and 84 square feet on the upper floor.

Each of the proposed condos includes the required outdoor living space.

Handicap Accessibility: All conversions involving five or more units must meet ADA requirements of the State Housing and Community Development Commission.

The proposed project only involves three units so this requirement does not apply.

Tenant Protection Provisions (SBMC Section 28.88.100)

The owners notified the tenants on March 12, 2007, of their intent to convert the apartment units to condominiums. Please see the attached tenant notification letters.

Additional Submittals for Conversions to Condominium (SBMC Section 28.88.060)

Covenants, Conditions and Restrictions: A statement of any unique provisions of the proposed Covenants, Conditions and Restrictions which would be applied on behalf of any and all owners of condominium units within the project.

No unique CC&Rs are anticipated at this time.

Project Information:

1. Square footage and number of rooms in each existing and proposed units.

All three units are 1,000 square feet and contain two bedrooms.

2. Rental rate history for each type of unit for previous five (5) years.

The Goldschmidt Family Trust purchased the property in 2006. Since their ownership of the property, none of the units have been vacant for more than 2-3 months. Please see the attached rental rate history.

3. Monthly vacancy rate for each month during preceding two (2) years.
Please refer to #2.

4. Makeup of existing tenant households, including family size, length of residence, age of tenants, and whether receiving federal or state rent subsidies. 5. Names and addresses of all tenants.

Unit 1

Agustin and Silvia Equihua
623 E Ortega St, #1, SB. 93103

* Three family members (one child and two adults less than 62 years old), residents for less than 2 years, no federal/ state rent subsidies.

Unit 2

Billi Jo Starr
623 E Ortega St, #2, SB. 93103

* Two residents (both adults less than 62 years old), residents for less than 6 months, no federal/ state rent subsidies

Unit 3

Juan and Maximina Castillo
623 E Ortega St, #3, SB. 93103

* Two residents (two adults close to 62 years old), residents for greater than 2 years, no federal/ state rent subsidies.

Architectural Board of Review (ABR)

The ABR reviewed the proposed project on May 7, 2007, and gave the project an indefinite continuance to the Staff Hearing Officer. The ABR requested enhanced hardscape on the entire driveway. The ABR also requested an open rail stairway from the sidewalk to provide access to the units' front doors. The ABR also wanted the landscaping enhanced (i.e. vine pockets along the driveway retaining wall, trees along the eastern property line, and landscaping in the public easement area along the sidewalk).

Brian Nelson, project architect, has included on the plans enhanced hardscape on the driveway and the open rail stairway from the sidewalk. Jack Kiesel, landscape architect, provided a landscape plan addressing ABR's comments. With these minor changes, ABR supports the conversion of the triplex to condominiums from a design and aesthetic standpoint.

Tentative Parcel Map

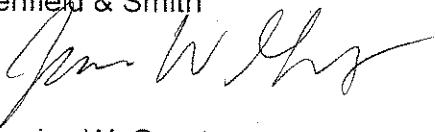
The proposed tentative parcel map is consistent with the General Plan and the Zoning Ordinance of the City of Santa Barbara. The site is physically suitable for the proposed development.

Précis

Given that the project complies with the requirements specified in the City's Municipal Code and General Plan, we hope that you can make the required project findings and recommend for project approval.

Please do not hesitate to call if you have any questions. I can be reached at (805) 963-9538 ext. 106 or email at jwg@penfieldsmith.com.

Very truly yours,
Penfield & Smith



Jessica W. Grant
Senior Planner

CONCEPT REVIEW - NEW ITEM**2. 3815 STATE ST #G-37**

C-2/SD-2 Zone

Assessor's Parcel Number: 051-010-014
Application Number: MST2007-00198
Owner: Patricia S. Nettleship Trustee
Agent: Macerich Company
Business Name: Tiffany & Company
Architect: Cortland Morgan Architects
Applicant: Conceptual Motion

(Proposal for a facade change for Tiffany & Company in La Cumbre Plaza.)

(3:58)

Present: Steve Yates, Architect, Conceptual Motion; Gerhard Mayer, Architect.

Jaime Limon reported that Design Guidelines are still underdevelopment.

Public comment opened at 4:09 p.m. As no one wished to speak, public comment was closed.

Motion: Continued indefinitely to the Full Board with the following comments:

- 1) Restudy the tower entry form to better address the plaza corner. Restudy the exterior design to be sympathetic to the direction the applicant would like to see the community of shops take; a direction which is a pedestrian-friend streetscape atmosphere.
- 2) There is concern with the opaque storefront display windows, and the Board would prefer an alternative design that addresses the plaza.
- 3) There is concern with the dark gray and brown granite. Restudy the color to be more homogenous with Santa Barbara regional materiality.
- 4) The Board suggests recessing the store front windows further into the wall.
- 5) Provide an exterior design that is sympathetic to the new tenant design criteria for La Cumbre Plaza, a direction which is a pedestrian-friend streetscape atmosphere.

Action: Manson-Hing/Sherry, 7/0/0. Motion carried. (Mudge absent.)

CONCEPT REVIEW - NEW ITEM: PUBLIC HEARING**3. 623 E ORTEGA ST**

R-3 Zone

Assessor's Parcel Number: 031-103-014
Application Number: MST2007-00125
Owner: Aaron Goldschmidt
Agent: Jessica Grant
Architect: Brian Nelson

(Proposal to convert an existing three-unit apartment building into three condominium units on a 7,000 square foot lot. The proposal includes construction of a 586 square foot three-car carport with a roof deck, storage areas and a trash enclosure. A modification is requested to provide less than the required 10% open space area.)

(COMMENTS ONLY; PROJECT REQUIRES ENVIRONMENTAL ASSESSMENT AND STAFF HEARING OFFICER APPROVALS OF A CONDOMINIUM CONVERSION PERMIT, A TENTATIVE SUBDIVISION MAP, AND A MODIFICATION.)

(5:02)

Present: Brian Nelson, Architect; Jessica Grant, Agent.

Public comment opened at 5:15 p.m. As no one wished to speak, public comment was closed p.m.

Motion: Continued indefinitely to the Staff Hearing Officer and return to the Full Board with the following comments:

- 1) Provide better enhanced hardscape on the entire driveway as an offset for the reduction in the 10 percent open space.
- 2) Provide an open rail stairway from the sidewalk, with access to the units front doors. Provide wayfinding with an enhanced entry experience from the public sidewalk.
- 3) Enclose the electrical meters in front in a cabinet that blends with the architecture.
- 4) Provide vine pockets along the driveway retaining wall, and other high quality design landscape elements (see previous landscape plan submittal). Provide trees along the eastern property line, as shown in the previous submittal in addition to those shown on current site plan.
- 5) Enhance the public easement area along the sidewalk as shown on the previous submittal landscape plan.
- 6) The modification poses no negative aesthetic impact to the neighborhood.
- 7) Study the possibility of a communal open space on the second level rear portion of the new carport.

Action: Sherry/Mosel, 7/0/0. Motion carried. (Mudge absent.)

CONCEPT REVIEW - CONTINUED ITEM

4. 495 S FAIRVIEW AVE

A-F/SD-3 Zone

Assessor's Parcel Number: 073-450-003

Application Number: MST2006-00131

Owner: City of Santa Barbara

Applicant: John Peterson, Federal Express Corporation

Architect: Jeff Spears

(Proposal to convert an existing 39,970 square foot aircraft hangar to a FedEx sorting facility containing 47 vans and a two bay vehicle maintenance shop. The project includes remodeling the existing office space and minor alterations to landscaping and parking lot. The project requires a Coastal Development Permit.)

(Second Concept Review.)

(PROJECT REQUIRES ENVIRONMENTAL ASSESSMENT AND PLANNING COMMISSION APPROVAL FOR A COASTAL DEVELOPMENT PERMIT.)

(5:23)